

any entity owned or controlled by, or specially designated as acting for or on behalf of, the Government of Iraq. Under the EAR, you need a license to export or reexport to Iraq any item on the CCL containing a CB Column 1, CB Column 2, CB Column 3, NP Column 1, NP Column 2, NS Column 1, NS Column 2, MT Column 1, RS Column 1, RS Column 2, CC Column 1, CC Column 2, CC Column 3 in the Country Chart Column of the License Requirements section of an ECCN, or classified under ECCNs 1C980, 1C981, 1C982, 1C983, 1C984, 5A980, 0A980, and 0A983; however, to avoid duplication, an authorization from OFAC constitutes authorization under the EAR, and no separate BXA authorization is necessary. Except as noted in § 746.3(a)(1) of this part, you may not use any BXA License Exception or other BXA authorization to export or reexport to Iraq.

(1) *License Exceptions.* You may export or reexport without a license if your transaction meets all the applicable terms and conditions of one of the following License Exceptions. Read each License Exception carefully, as the provisions available for embargoed countries are generally narrow.

(i) *Baggage (BAG)* (see § 740.14 of the EAR).

(ii) *Governments and international organizations (GOV)* (see § 740.11 of the EAR).

(2) *Exports for the official use of the United Nations, its personnel or agencies (excluding its relief or developmental agencies).* You must consult with OFAC to determine what transactions are eligible.

(b) Iraq has been designated by the Secretary of State as a country that has repeatedly provided support for acts of international terrorism. For anti-terrorism controls, see Supplement 2 to part 742 of the EAR.

(c) *Related controls.* OFAC maintains controls on the activities of U.S. persons, wherever located, involving transactions with Iraq or any specially designated Iraqi national, as provided in 31 CFR part 575.

[61 FR 12806, Mar. 25, 1996, as amended at 61 FR 64284, Dec. 4, 1996; 62 FR 25460, May 9, 1997]

§ 746.4 Libya.

(a) *Introduction.* The Department of the Treasury and the Department of Commerce maintain comprehensive controls on exports and reexports to Libya. OFAC maintains comprehensive controls on exports and transshipments to Libya under the Libyan Sanctions Regulations (31 CFR part 550). To avoid duplicate licensing procedures, OFAC and BXA have allocated licensing responsibility as follows: OFAC licenses direct exports and transshipments to Libya; BXA licenses reexports, exports of foreign-manufactured items containing U.S.-origin parts, components or materials, and exports of foreign-produced direct product of U.S. technology or software. Issuance of an OFAC license also constitutes authorization under the EAR, and no license from BXA is necessary. Exports and reexports subject to the EAR that are not subject to the Libyan Sanctions Regulations continue to require authorization from BXA.

(b) *License requirements.*

(1) *Exports.* OFAC and BXA both require a license for virtually all exports (including transshipments) to Libya. Except as noted in paragraph (b) of this section or specified in OFAC regulation, you may not use any BXA License Exception or other BXA authorization to export or transship to Libya. You will need a license from OFAC for all direct exports and transshipments to Libya except those eligible for the following BXA License Exceptions:

(i) *Baggage (BAG)* (see § 740.14 of the EAR).

(ii) *Governments and international organizations (GOV)* (see § 740.11 of the EAR).

(iii) *Gift parcels (GFT)* (see § 740.12(a) of the EAR).

(2) *Reexports.* You will need a license from BXA to reexport any U.S.-origin item from a third country to Libya, any foreign-manufactured item containing U.S.-origin parts, components or materials, as defined in § 734.2(b)(2) of the EAR, or any national security-controlled foreign-produced direct product of U.S. technology or software, as defined in § 734.2(b)(3) of the EAR, exported from the U.S. after March 12, 1982. You will need a license from BXA to reexport all items subject to the

EAR (see part 734 of the EAR) to Libya, except:

(i) Food, medicines, medical supplies, and agricultural commodities;

(ii) Reexports eligible for the following License Exceptions (read each License Exception carefully, as the provisions available for embargoed countries are generally narrow):

(A) Temporary exports and reexports (TMP): reexports by the news media (see § 740.9(a)(2)(viii) of the EAR).

(B) Operation technology and software (TSU) for legally exported commodities (see § 740.13(a) of the EAR).

(C) Sales technology (TSU) (see § 740.13(b) of the EAR).

(D) Software updates (TSU) for legally exported software (see § 740.13(c) of the EAR).

(E) Parts (RPL) for one-for-one replacement in certain legally exported commodities (§ 740.10(a) of the EAR).

(F) Baggage (BAG) (§ 740.14 of the EAR).

(G) Aircraft and vessels (AVS) for vessels only (see § 740.15(c)(1) of the EAR).

(H) Governments and international organizations (GOV) (see § 740.11 of the EAR).

(I) Gift parcels and humanitarian donations (GFT) (see § 740.12 of the EAR).

(J) Permissive reexports of certain spare parts in foreign-made equipment (see § 740.16(h) of the EAR).

(c) *Licensing policy.* (1) You should consult with OFAC regarding licensing policy for transactions subject to OFAC regulation.

(2) The licensing policy for BXA controls is as follows. Licenses will generally be denied for:

(i) Items controlled for national security purposes and related technology and software, including controlled foreign produced products of U.S. technology and software exported from the United States after March 12, 1982; and

(ii) Oil and gas equipment and technology and software, if listed in paragraph (c)(2)(vii) of this section, or if determined by BXA not to be readily available from sources outside the United States; and

(iii) Commodities, software, and technology destined for the petrochemical complex at Ras Lanuf, if listed in paragraph (c)(2)(vii)

of this section, or where such items would contribute directly to the development or construction of that complex (items destined for the township at Ras Lanuf, or for the public utilities or harbor facilities associated with that township, generally will not be regarded as making such a contribution where their functions will be primarily related to the township, utilities or harbor);

(iv) Aircraft (including helicopters) or aircraft parts, components, or accessories to Libya or the provision of engineering and maintenance servicing of Libyan aircraft or aircraft components;

(v) Arms and related material of all types, including the sale or transfer of weapons and ammunition, military vehicles and equipment, paramilitary police equipment, spare parts for the aforementioned, and equipment or supplies for the manufacture or maintenance of the aforementioned.

(vi) Materials destined for the construction, improvement or maintenance of Libyan civilian or military airfields and associated facilities and equipment or any engineering or other services or components destined for the maintenance of any Libyan civil or military airfields or associated facilities and equipment, except emergency equipment and equipment and services directly related to civilian air traffic control; and

(vii) Items listed in paragraphs (c)(2)(vii) (A) through (E) and equipment and supplies for the manufacture or maintenance of such items:

(A) Pumps of medium or large capacity (equal to or larger than 3500 cubic meters per hour) and drivers (gas turbines and electric motors) designed for use in the transportation of crude oil and natural gas.

(B) Equipment designed for use in crude oil export terminals, as follows:

(1) Loading buoys or single point moorings;

(2) Flexible hoses for connection between underwater manifolds (plem) and single point mooring and floating loading hoses of large sizes (from 12–16 inches); or

(3) Anchor chains.

(C) Equipment not specially designed for use in crude oil export terminals,

but which because of its large capacity can be used for this purpose, as follows:

(1) Loading pumps of large capacity (4000 m³/h) and small head (10 bars);

(2) Boosting pumps within the same range of flow rates;

(3) Inline pipe line inspection tools and cleaning devices (i.e., pigging tools) (16 inches and above); or

(4) Metering equipment of large capacity (1000 m³/h and above).

(D) Refinery equipment, as follows:

(1) Boilers meeting American Society of Mechanical Engineers 1 standards;

(2) Furnaces meeting American Society of Mechanical Engineers 8 standards;

(3) Fractionation columns meeting American Society of Mechanical Engineers 8 standards;

(4) Pumps meeting American Petroleum Institute 610 standards;

(5) Catalytic reactors meeting American Society of Mechanical Engineers 8 standards; or

(6) Prepared catalysts, including catalysts containing platinum and catalysts containing molybdenum.

(E) Spare parts for any of the items described in paragraph (c)(2)(vii) of this section.

(3) Notwithstanding the presumptions of denial in paragraphs (c)(2) (i) through (iii) of this section, licenses will generally be issued for items not included in paragraphs (c)(2) (iv) through (vii) of this section when the transaction involves:

(i) The export or reexport of commodities or technology and software under a contract in effect prior to March 12, 1982, where failure to obtain a license would not excuse performance under the contract;

(ii) Reexport of items not controlled for national security purposes that had been exported from the United States prior to March 12, 1982 or exports of foreign products incorporating such items as components; or

(iii) Incorporation of U.S.-origin parts, components, or materials in foreign-manufactured products destined for Libya, where the U.S. content is 20 percent or less by value.

(4) Notwithstanding the presumption of denial in paragraph (c)(2) (iv) through (vii), applications for reexports under a contract pre-dating Jan-

uary 18, 1994, will be reviewed under the licensing policy in effect prior to that date.

(5) Licenses will generally be considered favorably on a case-by-case basis when the transaction involves the following items, provided such items are not included in paragraph (c)(2) (iv) through (vii):

(i) Reexports of items subject to national security controls that were exported prior to March 12, 1982 and exports of foreign products incorporating such U.S.-origin components, where the particular authorization would not be contrary to specific foreign policy objectives of the United States; or

(ii) Items destined for use in the development or construction of the petrochemical processing complex at Ras Lanuf, where the transaction could be approved but for the general policy of denial set out in paragraph (c)(2)(iii), and where either:

(A) The transaction involves a contract in effect before December 20, 1983 that requires export or reexport of the items in question; or

(B) The items had been exported from the U.S. before that date.

(iii) Other unusual situations such as transactions involving firms with contractual commitments in effect before March 12, 1982.

(6) Licenses will generally be considered favorably on a case-by-case basis for the reexport of reasonable quantities for civil use of off-highway wheel tractors of carriage capacity of 9t (10 tons) or more, as defined in ECCN 9A990.b, provided such tractors are not for uses described in paragraph (c)(2) (iv) through (vi) of this section.

(7) All other reexports not covered by United Nations resolutions will generally be approved, subject to any other licensing policies applicable to a particular transaction.

(d) Libya has been designated by the Secretary of State as a country whose government has repeatedly provided support for acts of international terrorism. For anti-terrorism controls, see Supplement 2 to part 742 of the EAR.

(e) *Related controls.* OFAC administers broad economic sanctions on Libya, and restricts participation by U.S. persons in transactions with

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Libya or specially designated Libyan nationals. The applicable OFAC regulations, the Libyan Sanctions Regulations, are found in 31 CFR part 550.

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§ 746.5 North Korea.

(a) *License requirements.* As authorized by section 6 of the Export Administration Act of 1979, as amended (EAA) and by the Trading with the Enemy Act of 1917, as amended, you will need a license to export or reexport items subject to the EAR (see part 734 of the EAR) to North Korea, except as follows:

(1) *License Exceptions.* You may export without a license if your transaction meets all the applicable terms and conditions of any of the License Exceptions specified in this paragraph. To determine scope and eligibility requirements, you will need to turn to the sections or specific paragraphs of part 740 of the EAR (License Exceptions). Read each License Exception carefully, as the provisions available for embargoed countries are generally narrow.

(i) Temporary exports and reexports (TMP) by the news media (see § 740.9(a)(2)(viii) of the EAR).

(ii) Operation technology and software (TSU) for legally exported commodities (see § 740.13(a) of the EAR).

(iii) Sales technology (TSU) (see § 740.13(b) of the EAR).

(iv) Software updates (TSU) for legally exported software (see § 740.13(c) of the EAR).

(v) Parts (RPL) for one-for-one replacement in certain legally exported commodities (§ 740.10(a) of the EAR).

(vi) Baggage (BAG) (§ 740.14 of the EAR).

(vii) Aircraft and vessels (AVS) for fishing vessels under governing international fishery agreements and foreign-registered aircraft on temporary sojourn in the U.S.¹ (see § 740.15(a) and (b)(1) of the EAR).

¹Export of U.S. aircraft on temporary sojourn or vessels is prohibited, 44 CFR Ch. IV, Part 403 "Shipping restrictions: North Korea (T-2)."

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(viii) Governments and international organizations (GOV) (see § 740.11 of the EAR).

(ix) Gift parcels and humanitarian donations (GFT) (see § 740.12 of the EAR).

(x) Permissive reexports of certain spare parts in foreign-made equipment (see § 740.16(h) of the EAR).

(2) [Reserved]

(b) *Licensing policy.* Items requiring a license are subject to a general policy of denial. Exceptions to the policy of denial are as follows:

(1) BXA will review on a case-by-case basis applications for export of donated human-needs items listed in Supplement No. 2 to part 740 of the EAR that do not qualify for the humanitarian donation provisions of License Exception GFT (see § 740.12(b) of the EAR). Such applications include single transactions involving exports to meet emergency needs.

(2) BXA will review on a case-by-case basis applications for commercial sales of human-needs items. Such applications must be for items listed in Supplement No. 2 to part 740 of the EAR, but are not limited solely to small scale projects at the local level.

(c) North Korea has been designated by the Secretary of State as a country whose government has repeatedly provided support for acts of international terrorism. For anti-terrorism controls, see Supplement 2 to part 742 of the EAR.

(d) *Related controls.* OFAC maintains controls on the activities of persons subject to U.S. jurisdiction, wherever located, involving transactions with North Korea or any specially designated North Korean national.

[61 FR 12806, Mar. 25, 1996, as amended at 61 FR 64284, Dec. 4, 1996; 62 FR 25460, May 9, 1997]

§ 746.6 [Reserved]

§ 746.7 Iran.

The Treasury Department's Office of Foreign Assets Control (OFAC) administers a comprehensive trade and investment embargo against Iran under the authority of the International Emergency Economic Powers Act of 1977, as amended, section 505 of the